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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 02/02/06

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Nihon Keizai:

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DFAA engaged in bid rigging for construction products, with former agency officials acting as coordinators

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- (2) Bush speech underlines determination to regain lost ground by putting energy into domestic affairs

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- (1) Further discussion needed on details of new legislation on rescuing asbestos sufferers
- (2) State of the Union: President Bush should put "cooperation" into action

Yomiuri:

- (1) Fraudulent research papers: Government urged to clear up truth and set up rules on punishment
- (2) US president's speech reconfirms need for continued involvement in world

Nihon Keizai:

- (1) Bush speech implies strategy to strengthen US competitiveness ahead of fight with terrorism
- (2) Cooperation imperative to stabilize crude oil prices

Sankei:

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- (2) Information on side effects of pharmaceuticals should be disclosed in understandable way

Tokyo Shimbun:

- (1) Improvement in job market expected to energize spring wage struggle
- (2) Bush speech: Shadow looming over president's leadership

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, February 1

NIHON KEIZAI (Page 2) (Full)
February 2, 2006

09:00

Attended an Upper House Budget Committee session.

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11:56

Returned to Kantei.

13:00

Attended the Upper House Budget Committee session.

17:34

Attended a meeting of the Council on Economic and Fiscal Policy, held at Kantei.

19:38

Returned to his residence.

4) Government to draft plan possibly this month to prepare for withdrawal of GSDF from Iraq, with possible full pullout in May; Withdrawal to take 2-3 months

NIHON KEIZAI (Page 2) (Excerpts)
February 2, 2006

The government has begun preparation efforts for a withdrawal of the Ground Self-Defense Force (GSDF) from Iraq, with a possible full pullout envisioned by May. British forces, which have jurisdiction over the southern part, including Samawah where the GSDF is stationed, are considering a pullout in stages starting in March, so there is a possibility that Japan's withdrawal would start around the same time. The government has decided to resume yen loans to Iraq in March, creating an environment for the troop pullout.

Prime Minister Koizumi will decide the actual withdrawal timeframe, based on the moves of the full-fledged Iraqi government that will be launched at the end of February and on final coordination with the US and other concerned countries.

The withdrawal of British troops responsible for southern Iraq will affect the Australian forces that bear responsibility for public security operations in Samawah. If the British and Australian troops both leave, the GSDF, which is prohibited by the Constitution from using armed force, will find it difficult to continue its own operations on its own.

For that reason, the government has decided to draft a plan this month for removing the GSDF. The timeframe for withdrawing the troops is seen as three to four months.

5) Kajima, Taisei executives admit to investigators that they rigged DFAA projects; Retired DFAA officials drafted contract-awarding lists

YOMIURI (Top play) (Excerpts)
February 2, 2006

Executives of Kajima Corp. (based in Minato Ward, Tokyo) and Taisei Corp. (based in Shinjuku Ward, Tokyo) have admitted to investigators that the companies rigged construction and civil engineering projects by the Defense Facilities Administration Agency (DFAA) via former agency officials, sources said yesterday.

According to the sources, senior DFAA officials who landed jobs

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in the construction industry after retirement drafted lists showing which companies would be awarded the contracts. With the agency's approval, they have then informed Kajima of civil engineering work and Taisei of construction work to let them notify other companies of the results. The executives of the two companies have reportedly explained this bid-rigging system to the Tokyo District Public Prosecutors Office special investigation team.

General contractors also rigged US military project to win orders at 95% of target prices

General contractors also rigged a DFAA-ordered construction project connected with the partial relocation of US Iwakuni Air Station in Yamaguchi Prefecture, sources familiar with the scandal revealed. Such major general contractors as Kajima and Taisei, which have been raided on suspicion of bid rigging of air-conditioning work, also won air-station-related work orders at an average of 95% of the target prices. The air station relocation project is the DFAA's major project costing 240 billion yen. The Tokyo District Public Prosecutors Office special investigative unit is closely examining how the tenders were conducted, suspecting bid rigging in the process.

The Iwakuni Air Station project involves the construction of a new runway 1,000 meters off the coast. The project, which consists of 13 stages and costs 240 billion yen, has been underway since fiscal 1996. The project requires splitting 213 hectares of an area into three parts for reclaiming and improving the ground to build a 2,400-meter runway, control tower, ammo dump, and harbor facilities. To date, 86 hectares of the area have been reclaimed. The agency has ordered shore protection, breakwater, and foundation enhancement work worth 185.2 billion yen.

The special investigative team raided such general contractors as Kajima, Taisei, Obayashi, Shimizu, Goyo, and Toa on Dec. 31 and Feb. 1. Those six companies have been involved in the air station's relocation project.

6) Iwakuni base possibly involved in bid rigging for offshore tarmac construction

ASAHI (Top play) (Abridged)
February 2, 2006

The Defense Facilities Administration Agency, an external organ of the Defense Agency, is suspected of having rigged bids also for the construction of an offshore runway at the US Marine Corps' Iwakuni Air Station in the city of Iwakuni, Yamaguchi Prefecture, sources revealed. An official in the DFAA's No. 3 post of technical councillor, which is the highest of all technical positions at the DFAA, is alleged to have taken the initiative in rigging bids for years over construction works, engineering works, and various other DFAA-ordered projects. Among those bid-rigging practices, there are also suspicions being floated over projects at the Iwakuni base. The Tokyo District Public Prosecutors Office's special investigative squad is also seen to have grasped such facts. In its ongoing investigations, the squad searched the head offices of general construction contractors and questioned their executives.

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According to informed sources, the DFAA technical councillor is suspected of having initiated bid rigging over the DFAA's work orders in fiscal 2004 for the construction of a runway contiguous to the Iwakuni base. Those construction works include a project ordered for over 3.5 billion yen. There were also projects that were knocked down at outstandingly high bids even among the DFAA's work orders in that fiscal year.

Those bid-rigged projects included ground improvement in a central block of the offshore construction site (contracted at 3.5175 billion yen), land reclamation in that central block (2.73 billion yen), and ground improvement in the construction site's northern block (2.058 billion yen). Those projects went to the joint ventures of Kajima Corp., Seibu Construction Co., Ltd., Kabuki Construction Co., Ltd., Obayashi Corp., Tokura Construction Co., Ltd., Iwakuni Doken Co., Tekken Corp., Daiho Co., Ltd., and Taihei Kogyo Co., Ltd. Those JV groups have knocked down the projects at as high as 97.71-96.90% of the planned prices.

Prosecutors searched the head offices of general construction contractors Kajima Corp., Taisei Corp., Obayashi Corp., Shimizu Corp., and Tekken Corp. In addition, they have also searched the head offices of Penta-Ocean Construction Co., Ltd., Toa Corp., Wakachiku Construction Co., Ltd., and Nissan Rinkai Construction Co., Ltd. Prosecutors are questioning major civil engineering and construction companies' executives, including a retired DFAA technical councillor who is now in a major civil engineering firm. According to the sources, some of those general construction contractors' executives have admitted to having rigged bids for DFAA-ordered construction projects.

The DFAA technical councillor, overseeing all DFAA engineering-related sections, is alleged to have controlled bid-rigging practices over DFAA-ordered projects for years. In those bid-rigging cases, three DFAA officials, including senior officials, were arrested for their involvement in bid rigging for air-conditioning installation. In the suspected case of construction projects at the Iwakuni base as well, the technical councillor is said to have likewise initiated bid rigging.

7) Defense Agency Director General Nukaga indicates his intention to dismantle DFAA

SANKEI (Page 5) (Full)
February 2, 2006

Following the revelation of bid-rigging practices led by officials of the Defense Facilities Administration Agency (DFAA), Defense Agency Director General Fukushima Nukaga during yesterday's Upper House Budget Committee session in the Diet categorically said: "I will seek to dismantle the DFAA, by returning it to the starting line, so that an incident like this will not happen again." He intends to look into the possibility of taking a second look at that organization with its integration into the Defense Agency in mind.

Nukaga stressed that he had no intention of stepping down, saying: "My responsibility is to place the DFAA at a new starting point." The move will likely affect a plan to raise the Defense Agency to a ministry status, which the government and the ruling camp are now mulling.

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Appearing on a TBS program before attending the budget meeting, Nukaga said that the Defense Facilities Technology Association, a public-interest corporation, where a former technical councilor, now arrested, serves as director, should be dissolved. He thus indicated his intention to seek a review of the public-interest corporation, on which the DFAA has jurisdiction.

Explaining the background of the incident this time, Nukaga at the budget meeting pointed out: "By some way, the DFAA has a sense of entitlement. They were very exclusive regarding personnel exchanges as well. There have been few exchanges with

the Defense Agency. There was a breeding ground for irregularities behind such a backdrop." He then went on to explain the circumstances in which the Defense Agency's Central Procurement Office was disbanded, following a breach-of-trust and corruption incident involving this entity in 1998. Facing the incident this time, he again stressed the need to revamp the organization, noting, "The Defense Agency as a whole has not learned lessons from the incident in 1998 or felt responsible for it, by taking it as its own issue."

8) Government plans to dismantle DFAA and integrate Construction Department into Defense Agency; Specific plans to be produced by summer

NIHON KEIZAI (Page 2) (Excerpts)
February 2, 2006

The government plans to dismantle the Defense Facilities Administration Agency (DFAA), which has been involved in a bid rigging scandal. To that end, the government intends to map out specific plans by summer. A plan has already surfaced to integrate the DFAA Construction Department that took the lead in the bid rigging into the Defense Agency's Equipment Contract Department.

A study panel established by the Defense Agency following the revelation of the bid-rigging scandal will put together preventive measures by the end of April. The panel intends to produce specific plans by summer to dismantle the DFAA to integrate it into the Defense Agency to incorporate the necessary costs in the fiscal 2007 budget.

Defense Agency Director General Fukushima Nukaga in a press conference yesterday revealed a plan to dismantle the DFAA. Prime Minister Junichiro Koizumi also told reporters, "I will leave the matter to Mr. Nukaga. I trust he will handle the matter properly."

The defense chief will study ways centering on a plan to integrate the DFAA Construction Department's contract and implementation functions and the Facility Department's contract functions into the Defense Agency's Contract Office responsible for concluding contracts and procuring equipment. How to ensure checking functions after integrating such constructions will be the challenge.

A plan is also afoot to shift the Operational Department responsible for base workers and other compensatory affairs and the Facility Department's planning and coordination work on US military facilities to the Defense Agency's internal bureaus.

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Some have also suggested such ideas as integrating some functions into existing internal bureaus or director general's secretariat and establishing a facilities bureau to absorb such functions.

9) JDA chief Nukaga articulates, "The DFAA will be dismantled," out of concern for adverse effect of scandal on the issue of upgrading JDA to ministry status as well as his responsibility

MAINICHI (Page 2) (Excerpts)
February 2, 2006

By Yoso Furumoto

At a meeting yesterday of the Upper House Budget Committee, Defense Agency (JDA) Director-General Fukushima Nukaga articulated that "the Defense Facilities Administration Agency (DFAA) will be dismantled." This remark is apparently intended to arrest an adverse effect of the recent DFAA bureaucrat-led bid-rigging scandal on the issue of upgrading the JDA to ministry status as well as his responsibility. But given that the drastic review of the DFAA is on the prearranged plan, it appears difficult to regard the dismantlement plan as a reform of the JDA that is accompanied by pain. Depending on future developments of the incident, a call for his resignation to take the

responsibility will grow stronger in both the ruling and opposition parties.

Nukaga yesterday criticized the DFAA by noting: "It has privilege and is a hotbed for corruption." He then articulated, "I will dismantle it, returning to the starting point for reform." This remark took one step further from the previous one, "I intend to dismantle it."

Nukaga has led debate on consolidating the DFAA into the JDA. Behind this is a bitter lesson he learned from the case of breach of trust involving the Procurement Department in 1998. At the time, too, Nukaga served as JDA chief, and the JDA's poor response to the incident right after it came to light aggravated the situation. Nukaga was forced to resign to take the responsibility. That's why Nukaga has been looking for ways for reform of his agency since late last year, when the bid-rigging scandal this time was reported.

On the other hand, the consolidation of the DFAA is a favorable plan for administrative officials in the JDA, as well. The DFAA in a way has taken over the job from the Special Procurement Agency that had a huge privilege and is tasked with administration of US forces in Japan. It has a high degree of dependence from the JDA. All these considered, Fukuda's dismantlement remark gives a glimpse of his ulterior motive to dodge a call for his resignation by proposing to dismantle and consolidate the DFAA into the JDA and also to strengthen the powers of the JDA in a bid to push the move for upgrading the JDA to ministry status.

Following the bid-rigging scandal this time, a senior ruling party member indicated an outlook that there would be a certain level of impact, saying: "There would a mood to prevent the agency from being upgraded to ministry."

10) Rumsfeld urges Japan to swiftly implement Futenma relocation plan, as agreed upon

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YOMIURI (Page 4) (Full)
February 2, 2006

Takashi Sakamoto, Washington

Secretary of Defense Donald Rumsfeld held talks on Jan. 31 in

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Washington with visiting Liberal Democratic Party Acting Secretary General Ichiro Aisawa, former Defense Agency Director

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General Shigeru Ishiba and others. In the session, Rumsfeld called for the swift relocation of US Marine Corps Futenma Air Station from Ginowan to the coast of Camp Schwab in Nago, as agreed upon between Tokyo and Washington, saying, "It was good (that the candidate leaving the door open for accepting the planned alternative facility has won the Nago mayoral race). So many elections have taken place, and we have been forced to wait endlessly. We will not wait, after this election."

Rumsfeld was also quoted as saying in a strong tone, "We will have to implement the bilateral agreement no matter what."

11) Zoellick concerned about Japan-China ties

MAINICHI (Page 2) (Full)
February 2, 2006

Washington, Hiroaki Wada

Three Diet members of the ruling Liberal Democratic Party, including LDP Acting Secretary General Ichiro Aisawa, met with US Deputy Secretary of State Zoellick at the State Department on Jan. 31. According to Aisawa, Zoellick expressed concern about

the deterioration of Japan-China relations in connection with the Yasukuni Shrine issue. "We want Japan to become an even more positive global partner of the United States, and we also want Japan to prevent the history issue from becoming a minus," Aisawa quoted Zoellick as saying.

12) Expansion of UNSC framework: US Ambassador to UN Bolton says US "cannot support" Japan's proposal, adding, "There is no easy way to do this"

ASAHI (Page 2) (Full)
February 2, 2006

By Shinichi Ikeda in New York

In an exclusive interview on Jan. 31 with the Asahi Shimbun, US Ambassador to the United Nations John Bolton discussed the expansion of the UN Security Council membership, which is now 15 countries: "The upper limit on the expansion would be 19-20. An ideal reform would be to expand the membership to 16 with only Japan joining." He made it clear that in his view, the United States would not support Japan's proposed expansion of membership to 21. Last year, Japan, along with Germany and other nations, submitted a draft UN resolution to expand the UNSC, but it was rejected. Japan then came up with an outline of a new resolution it had drafted in line with US wishes. Notwithstanding, Japan has failed to obtain America's understanding about the new resolution, and now finds itself forced to reconsider that, too.

Bolton also stated: "All past attempts to let Japan join the UNSC

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as a permanent member failed. It's about time that we have to realize there is no easy way to do this."

On the question of the UNSC expansion, the Africa Union (AU) and a group of Germany, Brazil and India, three nations that acted in concert with Japan last year, have separately presented a resolution to the UN. Bolton emphasized that in his view, the expansion should be a minimum one in order to keep the UNSC efficient." "Discussions are continuing to find a way to achieve what Japan desires and what we desire at the same time," he added, noting, "For now, we cannot find any idea that meets not only Japan's wishes but also satisfies us."

On the other hand, Bolton appreciated Japan's efforts to work together with the US to reform the UN. Referring to one episode that late last year, the UN failed to get approval of its regular budget because of the US objection stemming from the fact that that budget did not reflect efforts for reform and a stopgap budget was approved instead, he stated: "At first, the US found itself isolated, but with Japan and some other nations joining us, we were able to convince European nations."

13) Foreign Ministry rejects Russian president's statement on Northern Territories

TOKYO SHIMBUN (Page 3) (Full)
February 2, 2006

Speaking at a press briefing yesterday concerning Russian President Putin's statement that Russia has ownership of the disputed four northern islands off Hokkaido based on the Yalta agreement, the Foreign Ministry's Press Secretary Yoshinori Katori argued: "Japan cannot accept the assertion that the Yalta agreement, to which Japan was not a party, is binding on our country."

Katori also commented on Putin having mentioned the Potsdam Proclamation and the Treaty of Peace with Japan as the grounds for his assertion: "Based on provisions on those documents, we believe the Northern Territories belong to Japan."

14) Leading Japanese banks suspend dealings with Macau bank accused of laundering money for North Korea

MAINICHI (Page 1) (Full)
February 2, 2006

Leading Japanese banks have voluntarily suspended dealings with Banco Delta Asia (BDA) of Macau, which the US government accused of having been involved in financial crimes committed by North Korea, according to informed sources yesterday. The moves by the Japanese banks are in order to fall in step with the financial sanctions slapped by the US against North Korea. This development is expected to have some impact on future relations between Tokyo and Pyongyang.

On suspicion of its involvement in North Korea's money laundering and counterfeiting, the US Department of the Treasury invoked sanction measures against the BDA in September 2005 to prohibit US banks from having any dealings with the BDA.

According to a department spokesman, the BDA has had dealings

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with North Korea's government agencies for more than 20 years. In cooperation with North Korean officials, the Macau bank engaged in illegal practices as a primary conduit for money earned by North Korea from counterfeit currencies, including the US dollar, said the spokesman.

The Treasury Department sent an investigation team to South Korea on Jan. 23-24. The team reported on the actual state of counterfeiting by North Korea and asked them to make efforts to control the North's illegal activities. On Jan. 25, a senior department official visited Japan to report on the case to Japanese government officials and called for their cooperation.

15) Review of ODA program; Yen loans to come under JICA's jurisdiction, according to government's basic policy; JBIC to be disbanded

TOKYO SHIMBUN (Page 1) (Full)
February 2, 2006

The government yesterday released a basic policy on a review of official development assistance (ODA). According to the package of guidelines, the Japan Bank for International Cooperation (JBIC) will be dissolved. The entity has been criticized as offering jobs to retired high-ranking financial officials, but a conclusion on what to do with it had been postponed in the ongoing public banking institution reform. Yen loans under the ODA program, which the JBIC has overseen, will be transferred to the Japan International Cooperation Agency (JICA), which is responsible for technical cooperation.

ODA functions are divided into three categories: yen loans under the JBIC, grant aid under the Ministry of Foreign Affairs (MOFA), and technical cooperation under JICA. This system has been criticized as being insufficient because of bureaucratic sectionalism. Under the package, the concerned cabinet ministers' meeting for external economic cooperation, which is in reality not functioning, will be scrapped in order to compile a comprehensive ODA strategy by dissolving this system. Instead, an external economic cooperation council, which will be presided over by the prime minister and consist of the chief cabinet secretary, the foreign minister, the finance minister, and the

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minister of economy, trade and industry, will be set up.

For grant aid cooperation, MOFA will continue to be in charge of deciding on and implementing projects. For technical cooperation, the present system will be maintained. Under this system, each government agency plans and formulates its own project items and MOFA takes the lead at the stage of coordinating the proposed projects.

It has already been decided that the international financing operations of JBIC, such as extending loans for import and export operations, excluding ODA, will be transferred to a new

organization that will control eight government-affiliated financial institutions.

The newly established "study group on overseas economic cooperation" (chaired by Akio Harada, former prosecutor general), an expert council reporting to Chief Cabinet Secretary Shinzo Abe, is now discussing the issue for the finalization of recommendations by the end of February.

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The basic policy has already been relayed to the study council. The panel's report will likely reflect the outline of the government guidelines.

16) Heated debate on social divide: "The gap itself is not bad, and reform will give opportunities to those at the bottom," says Prime Minister Koizumi; Ruling and opposition camps argue that reform alone is questionable and that households needing financial assistance have increased

NIHON KEIZAI (Page 1) (Full)
February 2, 2006

Prime Minister Koizumi during yesterday's Upper House Budget Committee session in the Diet rejected the view that a social divide is widening, arguing: "I do not think that such a gap is a bad thing." Countering the mounting criticism of "winners," sparked by the Livedoor incident, Koizumi categorically said: "Society will not develop unless we stop begrudging those who have been successful and stop trying to drag down capable people." His remark will likely fuel the ongoing social divide argument.

A number of lawmakers from both the ruling and opposition camps voiced concern over what they see as a widening gap. Ichiro Ichikawa of the Liberal Democratic Party (LDP) made a remark skeptical of Koizumi's structural reform policy.

The prime minister countered: "In any age, there are people who succeed and people who don't. The Koizumi reforms aim for a society that provides opportunities to those who have yet to succeed. Our society has been dominated by false egalitarianism in the past."

He thus brushed aside the criticism of the widening gap, noting: "Our is emerging from a long darkness. Once one sees light, one tends to focus on the shadow."

Kan Suzuki of the Democratic Party of Japan argued: "The number of households that need financial assistance for children's education has doubled over the past decade. Given this, can you say that the gap is not widening?" Touching on the sharp increase in the number of freeters (job-hopping part-time workers) and NEETs (not in education, employment, or training), the prime minister adopted a thoughtful stance, remarking: "Thinking about the future of the nation, we cannot be complacent."

However, he later added: "Those who worked hard but have failed deserve praise. The problem lies with those who do not make the effort." With post-Koizumi contenders in mind, he encouraged competition: "It is necessary to pursue opportunities without shying away from them."

17) 173 ruling and opposition lawmakers sign petition against revising the Imperial House Law, calling for "cautious deliberations"

YOMIURI (Page 1) (Full)
February 2, 2009

There is growing opinion in the ruling and opposition camps

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favoring caution regarding a revision of the Imperial House Law to allow females and their descendants to ascend to the Chrysanthemum Throne.

The Japan Conference, a suprapartisan group of Diet members is chaired by former trade minister Takeo Hiranuma; the Japan Conference, a group of people from the private sector chaired by former Supreme Court Chief Justice Toru Miyoshi; and the Group Studying the Imperial House Law, which is headed by Shoichi Watanabe, professor emeritus at Sophia University, held a meeting yesterday at the Parliamentary Museum in Nagatacho, Tokyo. In the meeting, the three groups adopted a resolution opposing a "hasty revision to the Imperial House Law." They are concerned that if the government forces the measure through, public opinion will be split, and the Emperor's status could even be threatened.

About 1,200 persons, including 107 ruling and opposition Diet members or people attending on their behalf, attended yesterday's meeting. Of the 107 lawmakers, 63 sent someone on their behalf. The 107 lawmakers included 68 Liberal Democratic Party (LDP) members, 28 Minshuto (Democratic Party of Japan) members, 4 People's New Party members, and 7 independents.

It was revealed that among the 173 lawmakers who signed a document demanding caution over the revision of the Imperial House Law, 135 were from the LDP, 23 were from Minshuto, five were from the People's New Party, and 10 were independent.

Hiranuma said:

"We should not let the Diet be split in two over an issue of such importance to the Imperial house. It is our duty to prevent the cabinet from submitting the revision bill to the Diet."

18) Minshuto lawmaker Kimata injures woman; Police to send case to prosecutors today

SANKEI (Page 29) (Full)
February 2, 2006

It was learned yesterday that Yoshitake Kimata, 40, a House of Councillors member of the main opposition party Minshuto (Democratic Party of Japan) had been interviewed by the Aichi Prefecture Police on suspicion of assaulting a female restaurant employee and injuring her at the end of last year. Since Kimata has admitted to the allegations, the police will send the case to the public prosecutors office today.

According to informed sources, Kimata was violent with the female restaurant worker, who is in her thirties, when he was drinking on Dec. 29 last year in Toyohashi City, and he slightly injured her. The woman then reported the injury to the police, but she withdrew her complaint after a settlement was reached with Kimata.

Kimata, a Hitotsubashi University graduate, was elected to the House of Councillors for the first time in 1998, after having worked at Keidanren (Japan Business Federation). He is now serving in his second-term in the Upper House. He enjoys karate in his free time.

In the Aichi prefectural chapter of the DPJ, Kanju Sato, a former

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House of Representatives member, was arrested in March 2004 for defrauding the state-paid salary of his secretary. and Lower House member Yuzuru Tsuzuki gave up his Diet seat in November 2004 due to violation of the Public Office Election Law by his former secretaries under the guilt-by-association system. In September 2005, former Lower House member Kenji Kobayashi was arrested on suspicion of possessing methamphetamines.

19) Health Minister in Diet reply: Parts from US beef used as ingredients in 19 products including medicines

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February 2, 2006

In a meeting of the House of Councillors Budget Committee yesterday, Health, Labor, and Welfare Minister Jiro Kawasaki revealed that parts from US beef, including internal organs and bone, have been used as ingredients in 19 products including medicines. He then made the following comment in response to a question by Democratic Party of Japan member Satoru Ienishi:

"We gave approval because the beneficial effect of the medicines is larger than the potential risk of BSE infection. We have instructed officials concerned to replace US materials (with those of other countries, like Australia) as quickly as possible."

SCHIEFFER